



# AFCESA A-GRAM



AIR FORCE CIVIL ENGINEER SUPPORT AGENCY

99-22

MAY 1999

## PLAN TO MEET FY2005 ENERGY GOALS FOR FACILITY ENERGY

### SYNOPSIS:

The Energy Policy Act of 1992 and Executive Order 12902 directed federal agencies to reduce energy consumption (on an MBTU/SF basis) 20 percent by FY00 and 30 percent by FY05, using FY85 as a baseline. These directives also require all buildings be surveyed and all energy projects with a 10-year or less payback be programmed. At the end of FY98, the Air Force stood at a 19.2 percent reduction versus a target of 19.5 percent (straight line 1.5 percent per year FY85-05) or 16 percent (step 10 percent per year FY85-95 and 2 percent per year FY95-05). Building surveys continue and have identified more projects than dollars available to fund them. The AFCESA energy staff has calculated the Air Force needs to reduce its consumption by an additional 9,621,762 MBTU to meet the FY05 goal based on FY98 data. An investment of over \$400 million is needed to accomplish this reduction.

### FUNDING SOURCES:

The Air Force has been using three sources of funding to do retrofit projects to meet the goal. (1) The Energy Conservation Investment Program is a Military Construction Program, centrally managed by DOD, that provides the Air Force approximately \$10M per year. (2) Utility Company Demand Side Management Programs use the local public utility company to fund and accomplish energy. This opportunity is not open to all bases. (3) Energy Savings Performance Contracts (ESPCs) use private companies to fund and accomplish energy retrofits. These are available at all installations within the 50 states. The AFCESA energy staff is helping develop regional ESPCs for

Japan, Korea and USAFE. The ESPC program offers the best potential to provide the funding required to attain the FY05 goal.

### ESPC BENEFITS:

The contractor provides funds for energy audits (identifies opportunities), construction/implementation, and operations and maintenance. Payment is based on guaranteed savings to the Air Force. Equipment retrofits and infrastructure improvements are obtained, but can cost no more than the utility bill and O&M related expenses without the ESPC. Limited base man-power is required for oversight and savings verification. The contractor does the work and, if guaranteed savings do not materialize, the contractor pays the Air Force.

The AFCESA energy staff supports the RCOs in administering contracts and assumes as much of the overhead work associated with administering the regional ESPC as possible. Each base can request ordering authority through AFCESA.

We estimate that \$67M needs to be invested by region or \$1M per base annually to meet the energy reduction goals. This is a significant investment level and ESPC is the only source of this level of funding.

The AFCESA energy staff regularly conducts a one-day ESPC training via satellite through AFIT and has personnel available to assist with proposal evaluations, issuance of task orders, and



### APPROACH:

The AFCESA energy staff has helped make ESPCs available to all installations in the US. In each region shown on the map, a Regional Contracting Office (RCO) has awarded an Indefinite Quantity contract for ESPC services that is available to all bases in that region.

general contract management activities.

### CONTACT:

Mr. Freddie L. Beason, P.E.  
HQ AFCESA/CESE  
139 Barnes Drive Suite 1  
Tyndall AFB FL 32403-5319  
DSN 523-6361, Comm 850-283-6361  
e-mail: Fred.Beason@afcesa.af.mil

*A-Grams are products of HQ AFCESA/PC, Tyndall AFB, Florida 32403-5319*

*A-Grams can also be found on our World Wide Web site at <http://www.afcesa.af.mil>*